

NATIONAL CANNERS ASSOCIATION



Information Letter



FOR N. C. A. MEMBERS

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Import Duty on Tomatoes and Tomato Products

Bills have been introduced in Congress proposing changes in the tariff rates on various imported articles, but there is apparently little prospect of legislation of this character being reached during the present session.

Under the circumstances, application of the provision of the present Tariff Act under which the duty may be increased, by Presidential order, to not over $1\frac{1}{2}$ times the existing rate—namely, from 15 per cent to $22\frac{1}{2}$ per cent ad valorem in case of canned tomatoes and 40 to 60 per cent on tomato paste—offers the only probability of early relief to canners of tomatoes and tomato products from the increasing competition of Italian products.

To obtain an increase in the rates it will be necessary to present to the U. S. Tariff Commission conclusive facts showing that the cost of production in the United States and in foreign countries differs to at least the amount represented by the tariff rate sought.

The ordinary procedure is for an industry to present to the U. S. Tariff Commission, in the form of a petition, facts at its disposal concerning costs, both in the United States and in foreign countries, as a basis for the plea for an increase in the duty, and to request the Commission to make the necessary investigation and report. The National Canners Association and the local organizations in tomato canning districts are being requested to file such petitions with the Commission as promptly as possible.

Canners of tomatoes and tomato products who desire additional protection against the imported products, should therefore prepare themselves to present first-hand information with respect to costs of production, including materials and labor, and other pertinent data that will be required in the investigation of the subject by the Tariff Commission.

Attitude Toward Consumer Complaints

As a result of the experience reported in a number of investigations of consumer complaints recently, it appears advisable to point out to our members the fact that a great deal depends upon the attitude assumed toward the consumer in connection with such investigations. Undoubtedly a considerable proportion of these complaints are made in good faith, and if the investigator assumes a suspicious or antagonistic attitude, it greatly handicaps any attempt at further investigation or adjustment of the claim.

In some cases where canners or distributors have undertaken such investigations direct, and have later turned the matter over to this Association, we have encountered great difficulty in getting at the facts or making any kind of an adjustment for the reason stated above.

This Association stands ready at all times to investigate such complaints for its members, and the sooner it is advised of such complaints and can get in touch with the proper parties, the more likelihood of a satisfactory termination of the case.

House Increases Corn Borer Control Appropriation

Corn canners who are interested in the fight on European corn borer being waged by the U. S. Department of Agriculture will be glad to know that the agricultural appropriation bill as passed by the House, carries an item of \$485,000 for European corn borer control work. This is the amount requested by the Bureau of Entomology. A cut which had been made by the Bureau of the Budget was restored by the House before the passage of the bill. The appropriation as it now stands is approximately \$100,000 more than was available from the last appropriation for work on European corn borer during the current fiscal year.

Canned Fish Freight Rates

The carriers having cancelled the schedules they had filed proposing to change rates and regulations on canned fish from Maine and New Brunswick to Kansas and Missouri points, the

Interstate Commerce Commission has set aside its order suspending these changes until April 6, and has ordered the proceeding discontinued.

Navy in Market for Canned Foods

The Navy Department is asking for bids to be opened at 10:00 A. M., April 6, on 532,000 pounds canned spinach, for delivery as follows: 36,000 pounds at Boston, Mass.; 80,000 pounds at Brooklyn, N. Y.; 36,000 pounds at Philadelphia, Pa.; 120,000 pounds at Hampton Roads, Va.; 260,000 pounds at Mare Island, Cal. Copies of the schedules for submitting bids (No. 4993) can be obtained from the Bureau of Supplies and Accounts, Navy Department, Washington, D. C.

Digest of New British Food Regulations Published

A digest of the new British food regulations, which are scheduled to become effective January 1, 1927, is published in Commerce Reports for February 15. The Bureau of Foreign and Domestic Commerce announces that it has several copies of the complete text of the regulations, which it will loan to interested firms. Copies may also be consulted at the Bureau's district and cooperative offices.

Reports on Payments to Employees

In conformance with changes which have been made by the pending revenue bill and to which the Senate and House have agreed, the Internal Revenue Bureau has issued new regulations governing reports to be made by employers as to payments to employees. Instead of having, as heretofore, to report payments of \$1,000 or more during the taxable year, this year no reports are required of payment of income to single individuals of less than \$1,500 and of payments to married individuals of less than \$3,500. These are the amounts of the credits allowed single and married persons agreed upon under the terms of the pending revenue act.

Amendment of Drawback Provisions Proposed

Modification of the drawback provisions of the Tariff Act is proposed in a bill (H. R. 9400) introduced by Congressman Free, which provides that a manufacturer using duty-paid foreign materials in products that he manufactures would, upon exportation of such products, "be entitled to drawback on the duty-paid material to the extent the same or similar material is

contained in such exported manufactured articles, and in order to obtain such drawback it shall not be necessary for such manufacturer to show that such exported manufactured articles contain the identical material on which duty has been paid."

Minimum Weight of Cans in Carloads

The proposal of the Consolidated Classification Committee to increase the minimum weight on tin cans, in carloads, from 14,000 to 16,000 pounds in all territories, it is reported, has been defeated, so that the minimum weight on such shipments will remain at 14,000 pounds.

Freight Traffic Movement

Revenue freight loadings for the week ended February 6 totaled 914,904 cars, according to the American Railway Association. This was a decrease of 14,226 cars under the corresponding week in 1925, but an increase of 8,887 cars over the corresponding week in 1924. The total for the week of February 6 was, however, a decrease of 10,359 cars under the preceding week, decreases being reported in the total loading of all commodities except coke and ore.

Wholesale and Retail Prices in January

Practically no change in the general level of wholesale prices in January as compared with the preceding month is shown by information collected in leading markets by the U. S. Bureau of Labor Statistics. The Bureau's weighted index number which includes 404 commodities or price series, registered 156.0 for January compared with 156.2 for December, 1925. Compared with January, 1925, with an index number of 160.0 there was a decrease of $2\frac{1}{2}$ per cent. Farm products and foods declined slightly below the level of December.

The Bureau's retail food index shows for January 15, 1926, a decrease of almost 1 per cent since December 15, 1925; an increase of nearly $6\frac{1}{2}$ per cent since January 15, 1925; and an increase of 67 per cent since January 15, 1913.

Correction

In the list of the Board of Directors published in Information Letter No. 147 two errors occurred in designating the firms with which directors are connected. The list should have shown J. W. Deniger with the Central Wisconsin Canneries, and Carleton M. Pike with the Seacoast Canning Company.